Rural Banks (RRBs) to keep their surplus funds with their respective sponsor banks.

(b) A representation has been received from RRBs employees Association to the effect that UCO Bank has directed RRBs sponsored by it to keep its surplus funds with the sponsor bank.

(c) and (d) Although the rate of interest payable on the surplus funds of RRBs kept with sponsor bank/non-sponsor bank is to be mutually settled, NABARD having regarding to the weak financial position of RRBs has advised the sponsor banks to consider paying a minimum of 13.5% interest on the balances kept with them by the RRBs for a period of 15 days and above.

C.B.I. Enquiry against Executive Director of Punjab and Sind Bank

3445. SHRI ASHIS SEN: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there was a C.B.I. enquiry against the present Executive Director of Punjab and Sind Bank at the time when he was the General Manager of New Bank of India;

(b) if so, whether the C.B.I. has now awarded/recommended penal action against him; and

(c) what steps Government propose to take in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) As per available information, Central Bureau of Investigation had conducted discreet enquiry/verification in the matter of hiring of premises at Amritsar by New Bank of India in the year 1982 and brought this to the notice of Government for suitable departmental action against two officers of New Bank of India, including the then Deputy General Manager, who is at present Executive Director in Punjab & Sind Bank. The matter was examined in consultation with New Bank of India and Central Vigilance Commission (CVC). CVC has now recommended closure of the case as no malafide was established against the concerned officers.

Profits earned by Foreign Banks due to Partial convertibility of Rupee

3446. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that some prominent Foreign Banks operating in the country have raked in hefty profits in the foreign exchange market immediately after the partial convertibility of the rupee came into force from March 3, 1992 under the Reserve Bank of India's Liberalised Exchange Ratio Management System;

(b) if so, which are these Banks and what is the estimated amout involved in each case;

(c) whether these profits are taxable in India and whether any portion thereof can be repatriated by these banks to their Head Offices; and

(d) if so, what are the details thereof and also the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) to (d) The information is being collected and will be laid on the Table of the House.

Enquiries about Mutual Funds from SEBI

3447. SHRI SURESH KALMADI:
SHRI BHUBANESHWAR KALITA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Securities and Exchange Board of India has received more than 100 enquiries from the varied interests in the private sector about the modalities for setting up of mutual funds; and

(b) if so, what are the details thereof and what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Securities and Exchange Board of India (SEBI) has received enquiries regarding setting up of mutual funds from various entities viz. finance companies, merchant bankers, manufacturing and trading companies, stock brokers and